

STAFF PROPOSED SEP RELATED TO REINSTATEMENTS FOLLOWING AUTO-PAYMENT FAILURES

December 13, 2019

DESCRIPTION: A new special enrollment period (SEP) will be available to individuals enrolled in an individual market Qualified Health Plan (QHP) to reinstate their prior coverage if their prior coverage was terminated due to a declined premium payment via a credit card or debit card auto-payment arrangement with the carrier. The individual must have successfully established the auto-payment arrangement. The SEP would not be available if the reason for the declined payment was that the individual voluntarily terminated the auto-payment arrangement. Reinstatement will result in continuous coverage in the same plan.

RATIONALE: HBX staff and carriers have noticed that issues with auto-payment, caused by changes in credit/debit card numbers or expiration dates and variations in rules by banks, have led to inadvertent terminations. Allowing reinstatement in these circumstances is consistent with the continuous coverage policy of the Affordable Care Act.